



# State of Connecticut

## HOUSE OF REPRESENTATIVES

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Co-Chairmen Doyle and Walker, Senator Kane, Rep. Gibbons and distinguished members of the Human Services Committee, I am pleased to be testifying in support of HB 5245, An Act Establishing A Task Force To Study The Privatization Of Group Homes.

The extraordinary budget crisis in which Connecticut finds itself requires some extraordinary solutions. Happily, there are still some non-extraordinary measures we can take to save the state money and make those other solutions less drastic. By this I refer to allowing our non-profit providers to assume a larger role in serving some of the neediest among us - those with special needs and intellectual disabilities.

Non-profit providers already account for approximately 80% of DDS clients. However, the differential between what the state providers cost versus what the non-profits cost is alarming and inviting at the same time. Specifically, the 2005 Report of Auditors of Public Accounts revealed that the annual cost of per person care given by the state is \$131,898, while the private sector care cost is \$29,081. That means it costs the taxpayers over 4 times as much to serve essentially the same client base as it does the state. When looking at the bigger picture, shifting these clients to non-profit providers would save the state over \$334,376,164 annually. That figure almost covers our current budget deficit. If the current underfunding of non-profit providers continues, and non-profits have to shut down, we will see a spike in costs for the care of this population, further exacerbating an already desperate fiscal situation. This is a very real possibility if action is not taken.

Anyone who has dealt with non-profit providers will attest that the service, care and indeed love they provide their clients is undeniable. I am privileged to have within my district The Kennedy Center, a non-profit provider I consider to be the "Gold Standard" of care for those with developmental and intellectual disabilities. The stories that come out of the Kennedy Center are magnificent. Their President, Marty Schwartz, has done wonderful work for his clients, and the Kennedy Center and the other non-profits providers can do even more if we give them the client base and the support. This will benefit not only potential clients, but also the state's taxpayers. Simply put, it is a win-win.

I understand that HB 5245 is simply a study at this point, and I appreciate the Co-Chairs raising the concept. I am confident that an honest and fair study of the issue will open many eyes to the potential benefits, to both client and taxpayer, which shifting services to non-profits will provide.